

FYBCOM/SYBCOM Semester End Assessment(Regular/Repeat)

November 2022

Course Title: Principles and Practice of Accounting

Course Code: UCOG107

Category: GE-01

Semester: I

Duration: 02 Hours

Max Marks: 80

Instructions:

- The question paper contains 6 questions spread across 2 pages
- Figures to the right indicate maximum marks allotted.
- Every main question should begin on a fresh page.
- **Q.1 is compulsory.**
- Answer any 3 from Q.2 to Q.6.

- Q.1. SUNRISE Ltd. furnishes the following record of purchases and issues of a material for the month of July 2021. Prepare a Store Ledger Account using **Weighted Average Price** Method of pricing material issues. (20 marks)

Year 2021	Particulars	Unit & Rate Per Unit
1 st July	Opening Stock	500 units @ 20 each
4 th July	Purchased	400 units @ 21 each
6 th July	Issued	600 units
8 th July	Purchased	800 units @ 24 each
9 th July	Issued	500 units
13 th July	Issued	300 units
14 th July	Purchased	500 units @ 25 each
18 th July	Purchased	300 units @ 20 each
20 th July	Purchased	200 units @ 22 each
21 st July	Issued	400 units
25 th July	Purchased	200 units @ 25 each
28 th July	Issued	300 units
29 th July	Purchased	400 units @ 20each
30 th July	Issued	300 units

- Q.2. Prepare a Stores Ledger Account from the following details using **FIFO Method** of pricing the issue of materials for the year 2020. (20 marks)

2 nd Jan	Purchased	4000 units @ 4.00 per unit
20 th Jan	Purchased	500 units @ 5.00 per unit
5 th Feb	Issued	2000 units
10 th Feb	Purchased	6000 units @ 6.00 per unit
12 th Feb	Issued	4000 units
2 nd Mar	Issued	1000 units
5 th Mar	Issued	2000 units
15 th Mar	Purchased	4500 units @ 5.50 per unit
20 th Mar	Issued	3000 units
25 th Mar	Issued	1500 units

Q.3. Answer the following**(2*10 = 20marks)**

- a) The complete Gardener is deciding on the **Economic Order Quantity** for two brands of fertilizer Super Gro and Super Bloom.

The following information is collected:

Particulars	Super Gro Fertilizer	Super Bloom Fertilizer
Annual Demand	1600 Bags	1024 Bags
Relevant ordering		
Cost Per Purchase order	Rs. 960	Rs. 1120
Annual Relevant Carrying Cost Per Bag	Rs. 480	Rs. 560

You are requested to:-

- (i) Compute EOQ for Super Gro Fertilizer & Super Bloom Fertilizer
(ii) Compute the number of orders per year for both the brands.

- b) A company purchase machinery on 1.1.2005 for a sum of Rs, 60000. The retail price index on that date stood at 150. You are required to restate the value of the machinery according to CPP method as on 31st Dec. 2001, when the price index stood at 200.

Q.4. From the following details compute the total value of human resources of skilled and unskilled group of employee according to Lev and Schwartz Model. (20 marks)

Particulars	Skilled	Unskilled
Average Annual Earning of an Employee till the date of retirement	60,000	40,000
Age of Retirement	65 years	62 years
Discount Rate	15%	15%
No. of Employee in Group	30	40
Average Age	62 years	60 years

Q.5. Answer the following:**(2*10 = 20marks)**

- a) Users of accounting and their roles. (Any 5)
b) Explain the elements of Financial Statement with the help of Diagram.

Q.6. Write short note on ANY 4 the following:**(4*5 = 20marks)**

- a) Characteristics of Accounting.
b) Concept of Financial Statement.
c) Advantages and Disadvantages of Environment Accounting.
d) Qualitative characteristics of financial statements. (Any 2)
e) Need for International Financial Reporting Standards.
f) Accounting Concepts (Any 2)